



# **USAFMCOM OPERATIONAL SUPPORT TEAM**

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## Conducting the Internal Control Visit

**“What gets checked, gets  
done!”**

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1 April 2013



# Conducting the IC Visit

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- # Plan
  - # Schedule
  - # Travel
  - # Required Items
  - # In Brief
  - # Types of Reviews
  - # Checklists
  - # Interviews
  - # Grading
  - # Documentation
  - # Reporting
  - # Outbrief
  - # Loss of funds
  - # Current Trends
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# Scheduling

- # Schedules are only approximate
  - Impacted by travel
    - One team took 3 days to get to Bagram and 5 days to get back – for a cash count that took 2 hours.
    - Flights to some remote sites are infrequent
  - Can run into issues
    - NEVER leave a site until mission is complete and documentation is issued/presented.
- # Work with FMSU IC teams and FM SPO so they know the schedule
- # Use your operations cell to help with travel





# Travel

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- # IC Team Members
  - # Arrangements IAW SOP
  - # PCC/PCI – Critical
    - Laptop
    - Calculator
    - Clip Boards
    - Appointment Orders/MFR's
    - Theater Checklists
    - FMC Policies
    - Regulations (AR 11-37, AR 11-2, DFAS-IN 37-100, Etc...)
    - DODFMR, JFTR, SOP's, etc...
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# In Brief

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- # Commander, Section Chiefs, Invitees
  - # Clear Communication Critical
  - # Sets the tone for the visit
  - # Attitude is Critical
  - # Purpose
  - # Scope
  - # Grading
  - # Schedule
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# Types of Reviews

## # Operational Reviews

- Evaluate overall processes/Requires feedback from CMDR

## # Cash Certification

- Verify Accountability

## # Post Payment Reviews

- Verify accuracy of documentation

## # Special Reviews

- (one time reviews on single focus topic,
  - e.g. Paying Agents)

## # Courtesy Inspections

- Performed prior to initial OR

## # Assistance Visits

- Help fix a problem – requires specialized skills





# Special Reviews

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- # Focused reviews on specific subject
  - # Generally requested by CMDR, DO or DA
  - # Education Driven
  - # Area of concern
  - # Report by AAA Audit Agency
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# Courtesy Review

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- # Operational review without penalty
  - # Provides unit with written notice of deficiencies
  - # Penalty occurs if fraud or abuse detected
  - # Availability driven
  - # Written feedback from Commander
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# Assistance Visit

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- # Requested by unit
  - # Offered if trends indicate need
  - # Provides assistance and education
  - # On the spot correction
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# IC Checklists



- # By Section
- # Living documents
- # Compliance Ratings
  - Yes                      Green
  - No                        Amber
  - N/I                        Red
  - N/A                       N/A



# Checklists



- # Company Disbursing
- # OTCnet
- # CVS
- # Customer Service
- # DA/DDO Disbursing
- # Eagle Cash Card
- # Treasury Checks
- # Reserve Pay
- # RIPTOA
- # General Disbursing
- # Finance Operations
- # In-Out Processing
- # Internal control
- # Paying Agents
- # Processing
- # Systems Administration
- # Travel
- # Local Pay
- # Cash Verifications
- # Internal Control





# Interviewing

- # Gain information about process –
- # Don't just look – see, don't just listen – hear and understand. Avoid assumptions
- # Interactive process
  - Strong listening skills – Individuals want to tell you how much they know if you let them.
  - Evaluate what you hear/see for validity
  - Colombo approach (avoid confrontation unless all else fails – generally a sign of BAD things)
  - Make unobtrusive notes – but do not hide
  - Praise strong points
- # If processes are broken assist – do not just note issues
- # Never assume they are wrong and you are right



# Grading

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- # Green – Full compliance
  - # Amber – Warning
  - # Red – Failure
  - # Be consistent in grading from site to site.
  - # Considering adding critical items such as:
    - Failure to balance completely
    - Processes not documented (NO SOPs)
    - Recognize outstanding Soldiers/Sections
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# Documentation

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- # Gather supporting documents for areas of concern or interest.
    - DDS user list and screen print of access rights
    - Agents list from DDS with date of last DD 1081
    - CVS reports from GFEBS/CAPSW
  - # If it is not documented it is hard to support
  - # If not documented – not done.
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# Out Brief

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- # Commander, Section Chiefs, Invitees
  - # Formal Briefing/Slide Presentation
  - # Concise findings
  - # Grading
  - # Evaluators
  - # Findings
  - # Typed Checklists
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# Reporting Process

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- # Always ensure factual accuracy and agreements with facts prior to issuing.
  - # At end of Review provide
    - Documented Out Briefing/Slide Presentation
    - Typed, completed checklists
    - Written draft report (if done)
  - # Upon return to FMSC or FMSU, review and finalize report
  - # Present official findings to FMSC or FMSU leadership
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# Typical FMSC IC Schedule



- # Monitor all FMSU/FMSC TOA
  - # 90 Days – FMSU IC Review
  - # 90 Days – FMSC IC Review
  - # Staff Assisted Visit
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# Testing

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- # First 10 Days - TOA
  - # 90-180 Days – FMSU Operational Review
  - # 90-180 Days – FMSC Operational Review
  - # When needed – Staff Assisted Visit
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# Current Trends

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## # Operational Review Focus

- Banking and Disbursing, Fund the Force and Pay Support
- Smaller reviews such as ECC, DDS, TASOs, etc.

## # Overall results positive

## # Common areas of concern

- Physical security and key control
  - Separation of Duties/accesses
  - Cross training plans
  - Pay agent documentation
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# Loss of Funds

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- # Track loss of funds reports.
  - # Look for consistent internal control weaknesses that should be addressed.
  - # Report to OIC any new loss of funds and IC related concerns based on loss.
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# Conclusion

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- # The Internal Control team is the first line of defense for the FMSC or FMSU
  - # Key interaction with FMSC or FMSU and sites
  - # Subject Matter Experts
  - # Complete and defensible documentation
  - # Flexibility and professionalism
  - # Reports are visible to several levels
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# Conclusion (cont'd)

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- # Always better to work with the Site than against them.
  - # Remember “I’m from IC and I’m here to help”
  - # Client site will then truly say  
“ We’re glad to see you.” and then  
“ Come back again”
  - # Consider the motto – “I will not be a barrier”
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# INTERNAL CONTROL PROGRAM



## ✓ CHECK IT

What gets checked, gets done

Every penny is precious

Be accurate

Be efficient

Be proud of your profession

Remember...the War On Terror...is one America can't afford to lose.





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# QUESTIONS?

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